

## Message Text

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ACTION EB-08

INFO OCT-01 ARA-10 ISO-00 CIAE-00 COME-00 DODE-00

NOTE-00 FMC-01 INR-07 NSAE-00 CG-00 DLOS-09

OES-07 L-03 /046 W

-----111709 060358Z /12

R 051301Z AUG 77

FM AMEMBASSY MONTEVIDEO

TO SECSTATE WASHDC 4407

LIMITED OFFICIAL USE MONTEVIDEO 3003

E.O. 11652: NA

TAGS: EWWT, UY

SUBJ: URUGUAYAN CARGO PREFERENCE LAW

REF: STATE 178218

1. THE REGULATIONS FOR IMPLEMENTING URUGUAYAN LAW 14650 -- CITED IN REFTEL -- HAVE YET TO BE ESTABLISHED. THE CHIEF COUNSEL OF THE LATIN AMERICAN ASSOCIATION OF SHIPOWNERS (ALAMAR) HAS ADVISED EMBASSY OFFICER THAT THE MINISTRY OF TRANSPORTATION AND PUBLIC WORKS HAS 180 DAYS AFTER ENACTMENT OF THE LAW TO SUBMIT ITS RECOMMENDATIONS (APPROXIMATELY NOVEMBER 1977).

2. AT FACE VALUE, THE FINAL VERSION OF THE LAW APPEARS MORE ACCOMMODATING TO PRIVATE SECTOR INTERESTS THAN DID THE ORIGINAL DRAFT PROPOSAL IN 1976. IT PROVIDES FOR CONSIDERABLE PRIVATE SECTOR INFLUENCE IN THE LAW'S PROPOSED DEVELOPMENT FUND, AND REMOVES A PROPOSED 5 PERCENT TAX ON PRIVATE URUGUAYAN FREIGHT REVENUES AMOUNTING TO APPROXIMATELY 50 PERCENT OF A SHIP'S GROSS PROFIT TO FINANCE THE FUND.

3. FROM PRELIMINARY CONVERSATIONS WITH LOCAL REPRESENTATIVES, EMBASSY FINDS NEITHER OF THE TWO U.S. SHIPPING COMPANIES

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SERVING MONTEVIDEO EXPECTS NEW COMPETITION FROM URUGUAYAN SHIPPING FOLLOWING PASSAGE OF THE LAW. THEY ANTICIPATE THE LAW WILL HAVE A BIGGER IMPACT ON SHIPPING TO EUROPE WHERE URUGUAYAN FLAG SERVICE IS MORE GENERALLY AVAILABLE.

4. AN AIRGRAM WILL FOLLOW WITH BACKGROUND INFORMATION, ANALYSIS, AND LOCAL U.S. SHIPPING REACTION.

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MARINE CARGO, LAW, STEAMSHIP LINES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 05-Aug-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977MONTEV03003  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770282-0408  
**Format:** TEL  
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**Litigation Codes:**  
**Litigation History:**  
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**Message ID:** 8ff66f61-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 77 STATE 178218  
**Retention:** 0  
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**Review Release Event:** n/a  
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**Review Withdrawn Fields:** n/a  
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**Subject:** URUGUAYAN CARGO PREFERENCE LAW  
**TAGS:** EWWT, ETRD, PGOV, UY  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/8ff66f61-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009